

I. THE NATION SERVED BY FREIGHT

Freight transportation has grown dramatically with the growth and spread of population and economic activity within the United States and with the increasing interdependence of economies across the globe. The U.S. population grew by 29 percent between 1980 and 2004, while the economy, measured by gross domestic product (GDP), more than doubled in real terms. Other indicators of economic growth such as employment and household income have also risen, by 40 and 15 percent respectively. Foreign trade has grown faster than the overall economy, quadrupling in real value between 1980 and 2004, reflecting unprecedented global interconnectivity.

TABLE 1-1: ECONOMIC AND SOCIAL CHARACTERISTICS OF THE UNITED STATES

	1980	1990	2000	2004	Percent change, 1980 to 2004
Resident population (thousands)	227,225	249,623	(R) 282,192	293,655	29.2
Households (thousands)	80,776	93,347	104,705	112,000	38.7
Median household income (\$2000)	35,057	38,257	41,990	40,468	15.4
Civilian labor force (thousands)	106,940	125,840	142,583	147,401	37.8
Employed ¹ (thousands)	99,303	118,793	136,891	139,252	40.2
Agriculture, forestry, fishing, and hunting (percent)	NA	1.9	1.8	1.6	NA
Mining	NA	0.5	0.3	0.4	NA
Construction	NA	6.9	7.3	7.7	NA
Manufacturing	NA	16.8	14.4	11.8	NA
Wholesale and retail trade	NA	14.7	14.6	15.0	NA
Transportation and utilities	NA	5.1	5.4	5.0	NA
Information	NA	2.9	3.0	2.5	NA
Financial activities	NA	7.1	6.8	7.2	NA
Professional and business services	NA	9.4	10.0	10.1	NA
Education and health services	NA	17.5	19.1	20.6	NA
Leisure and hospitality	NA	8.0	8.2	8.5	NA
Other services	NA	4.3	4.7	5.0	NA
Public administration	NA	4.7	4.5	4.6	NA
Business establishments (thousands)	NA	6,176	7,070	NA	NA
Governments	² 81,831	³ 85,006	⁴ 87,576	NA	NA
Gross domestic product (\$2000 millions)	5,161,700	7,112,500	9,817,000	10,755,700	108.4
Foreign trade (\$2000 millions)	631,335	1,168,168	2,572,000	2,837,634	349.5
Goods (percent)	74.0	71.6	78.8	78.8	378.5
Services (percent)	26.0	28.4	21.2	21.2	266.7

Key: NA = not available; R = revised.

¹Based on the 2002 Census Industry Classification system. Data for 1990 do not appear in the source document; they are estimated using the Bureau of Labor Statistics crosswalk from the 1990 Census Industry Classification system to the 2002 Census Industry Classification system.

²1982

³1992

⁴2002

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Sources: Unless otherwise stated all data from: U.S. Department of Commerce, Census Bureau, *Statistical Abstract of the United States: 2006* (Washington, DC: 2005) and earlier editions, available at

<http://www.census.gov/statab/www/> as of March 22, 2006.

Median household income: U.S. Department of Commerce, Census Bureau, Historical Income Tables, table H-6, available at www.census.gov/hhes/income/histinc/h06ar.html as of March 22, 2006.

Business establishments: U.S. Department of Commerce, Census Bureau, County Business Patterns, available at <http://www.census.gov/epcd/cbp/view/cbpview.html> as of March 22, 2006.

Gross domestic product and foreign trade: U.S. Department of Commerce, Bureau of Economic Analysis, National Income and Product Accounts Tables, tables 1.1.5, 1.1.6, 4.2.4, available at www.bea.doc.gov as of March 22, 2006.

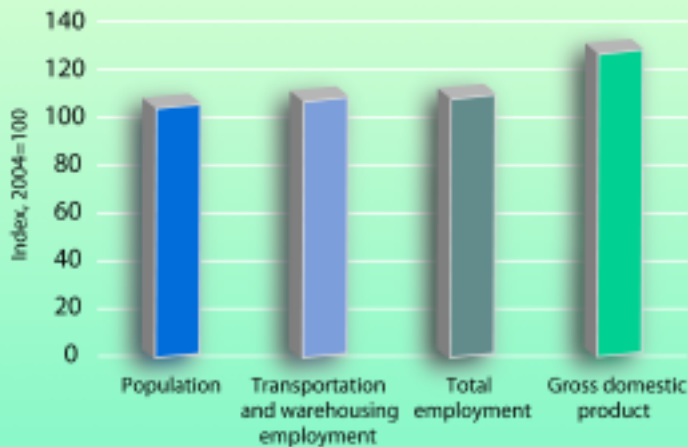
Economic activity and the demand for freight transportation are spread throughout the United States as shown by the distribution of population, employment, and income.

TABLE 1-2: POPULATION AND GROSS STATE PRODUCT (GSP) BY REGION

	1980	1990	2000	2004	2005	Percent change, 1980 to 2005
Resident Population (thousands)	226,549	248,789	(R) 282,193	(R) 293,657	296,410	31
Northeast	49,136	50,828	(R) 53,672	(R) 54,582	54,642	11
Midwest	58,868	59,670	(R) 64,497	(R) 65,694	65,972	12
South	75,372	85,454	(R) 100,566	(R) 105,994	107,505	43
West	43,173	52,837	(R) 63,458	(R) 67,387	68,291	58
GSP (\$ 2000 millions)	5,054,549	6,994,329	(R) 9,749,104	(R) 10,661,769	11,035,753	118
Northeast	1,107,283	1,604,121	(R) 2,077,436	(R) 2,243,557	2,305,997	108
Midwest	1,262,917	1,566,939	(R) 2,174,719	(R) 2,316,348	2,352,354	86
South	1,608,531	2,220,755	(R) 3,212,076	(R) 3,586,803	3,738,067	132
West	1,075,817	1,602,514	(R) 2,284,873	(R) 2,515,061	2,639,335	145
GSP per capita (\$ 2000)	22,311	28,113	(R) 34,548	(R) 36,307	37,231	67
Northeast	22,535	31,560	(R) 38,706	(R) 41,104	42,202	87
Midwest	21,453	26,260	(R) 33,718	(R) 35,260	35,657	66
South	21,341	25,988	(R) 31,940	(R) 33,840	34,771	63
West	24,919	30,329	(R) 36,006	(R) 37,323	38,648	55

Key: R = revised.

FIGURE 1-1: ECONOMIC AND POPULATION PROJECTIONS, 2004 TO 2014 (INDEX, 2004 = 100)



Demand for freight transportation grows with increases in population and economic activity. Over the next ten years the U.S. economy, as measured by GDP, is projected to increase by 32 percent and the U.S. population by 9 percent. Transportation and warehousing employment is expected to increase by 12 percent over this period, about the same as employment as a whole.

TABLE 1-2: POPULATION AND GROSS STATE PRODUCT (GSP) BY REGION

Sources: **Population: 1980-1990** — U.S. Department of Commerce, Census Bureau, *Statistical Abstract of the United States: 2004-2005* (Washington, DC: 2005); **2000-2005** — Ibid., Population Division, Annual Population Estimates, table 8, available at <http://www.census.gov/popest/states/NST-ann-est.html> as of June 6, 2006; **Gross State Product: 1980-1990** — U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, available at <http://www.bea.doc.gov/bea/regional/gsp/> as of June 11, 2004; **2000-2005** — U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, available at <http://www.bea.doc.gov/bea/regional/gsp/> as of June 6, 2006.

FIGURE 1-1: ECONOMIC AND POPULATION PROJECTIONS, 2004 TO 2014

Sources: **Population:** U.S. Department of Commerce, U.S. Census Bureau, *Statistical Abstract of the United States: 2006* (Washington, DC: 2005), available at <http://www.census.gov/statab/www/> as of March 23, 2006.

Employment: U.S. Department of Labor, Bureau of Labor Statistics, *Employment by Major Industry Division, 1994, 2004, and projected 2014*, available at www.bls.gov as of March 23, 2006.

GDP: Congressional Budget Office, *The Budget and Economic Outlook: Fiscal Years 2005-2014, CBO's Economic Projections for 2004 through 2014*, available at <http://www.cbo.gov> as of March 23, 2006.